— EDITED TRANSCRIPT—

HUDSON INSTITUTE's

BRADLEY CENTER

FOR PHILANTHROPY
AND CIVIC RENEWAL

presents

HOW VAST THE LEFT WING CONSPIRACY?

Thursday, November 30, 2006 • 12:00—2:00 p.m.
The Betsy and Walter Stern Conference Center • Hudson Institute

"We ARE building a vast Vast Left Wing Conspiracy to rival the $300 million conservatives spent on theirs last year. But we are a seedling at this point. Not very 'vast' in other words." So wrote prominent progressive blogger Markos Moulitsas in 2005, shortly before the publication of *National Review* columnist Byron York's book *The Vast Left Wing Conspiracy: The Untold Story of the Democrats' Desperate Fight to Reclaim Power*. Now that Democrats have, indeed, reclaimed a substantial piece of national political power, how important to the victory was the network of progressive think tanks, nonprofits, and political issue committees that York described in his book? Has it grown from seedling to Jack-and-the-beanstalk vine, destined to carry progressivism to the White House in 2008? Is it time for conservatives to reexamine their own intellectual infrastructure in light of the progressive network's success? To discuss these and other questions, Hudson Institute's Bradley Center for Philanthropy and Civic Renewal brought together author **BYRON YORK** as well as Democracy Alliance founder **ROB STEIN** and **GARA LAMARCHE** of Soros' Open Society Institute. The Bradley Center's own **WILLIAM SCHAMBRA** served as the discussion's moderator.

PROGRAM

12:00 p.m. Welcome by Hudson Institute's WILLIAM SCHAMBRA
12:10 Panel discussion
Panelists: BYRON YORK, National Review
ROB STEIN, founder of Democracy Alliance
GARA LAMARCHE, Open Society Institute
12:45 Question-and-answer session
2:00 Adjournment

CONGRATULATIONS to Gara LaMarche!

Hudson Institute's Bradley Center congratulates Gara LaMarche on his appointment to serve as Chief Executive Officer of The Atlantic Philanthropies, announced shortly after this panel discussion took place.

THIS TRANSCRIPT WAS PREPARED FROM A TAPE RECORDING AND EDITED BY KRISTA SHAFFER. To request further information on this event or the Bradley Center, please contact Hudson Institute at (202) 974-2424 or e-mail Krista Shaffer at krista@hudson.org.

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Panel Biographies

Gara LaMarche is vice president and director of U.S. Programs for the Open Society Institute. Before joining OSI in 1996, LaMarche served as associate director of Human Rights Watch and was director of its Free Expression Project (1990-1996) and the Freedom-To-Write Program of the PEN American Center (1988-1990). In 1988-1989, he was a Charles H. Revson Fellow on the Future of the City of New York. LaMarche is the author of nearly 100 articles on civil liberties and human rights topics and has been published in the *New York Times*, the *Washington Post*, the *Los Angeles Times*, *Newsday*, the *Nation*, and the *Texas Observer*. He is the editor of *Speech and Equality: Do We Really Have to Choose?* (New York University Press, 1996).

Attorney **Rob Stein** founded the Democracy Alliance in 2005 and serves on its board of directors. Stein was senior strategist to Democratic National Committee Chairman Ron Brown from 1989 to 1992, and then served as Brown's chief of staff when he became Secretary of Commerce from 1992 to 1995. From 1996 to 2002, Stein worked as a private equity investor. Prior to his government service, Stein ran several non-profit organization and was chief of staff of the Washington Office of the Clinton-Gore Presidential Transition in November-January 1991-92.

Byron York is the White House correspondent for *National Review* magazine and *National Review Online*. The author of *The Vast Left Wing Conspiracy*, the first book to trace the new political movement created by activists like MoveOn.org, George Soros, and the liberal blogosphere, York has also written extensively about the Bush administration, the war on terrorism, the battle over Supreme Court nominations, and the coming 2008 presidential campaign. A weekly columnist for *The Hill* newspaper, his work has been published in the *Washington Post*, *Wall Street Journal*, *Atlantic Monthly*, *New Republic*, and *Weekly Standard*. A contributor to Fox News, he has appeared on *Special Report with Brit Hume*, *Meet the Press*, *The NewsHour with Jim Lehrer*, *The Daily Show*, and other television programs, and has contributed occasional commentaries to National Public Radio.

William Schambra is the director of the Hudson Institute's Bradley Center for Philanthropy and Civic Renewal. Prior to joining the Hudson Institute in January of 2003, Schambra was director of programs at the Lynde & Harry Bradley Foundation in Milwaukee. Before joining Bradley in 1992, Schambra served as a senior advisor and chief speechwriter for Attorney General Edwin Meese III, Director of the Office of Personnel Management Constance Horner, and Secretary of Health and Human Services Louis Sullivan. He was also director of Social Policy Programs for the American Enterprise Institute, and co-director of AEI's "A Decade of Study of the Constitution." Schambra has written extensively on the Constitution, the theory and practice of civic revitalization, and civil society in *The Public Interest, Public Opinion, The Wall Street Journal, The Washington Times, Policy Review, Christian Science Monitor*, *Nonprofit Quarterly, Philanthropy* and *Crisis*, and is the editor of several volumes, including *As Far as Republican Principles Will Admit: Collected Essays of Martin Diamond*.

Proceedings

WILLIAM SCHAMBRA: My name is Bill Schambra, and I'm director of the Bradley Center for Philanthropy and Civic Renewal here at Hudson Institute. Krista Shaffer and I welcome you to today's panel discussion, entitled "How Vast the Left Wing Conspiracy?"

But first, a preview of coming attractions: On December 11, we are co-hosting with Carol Adelman's Center for Global Prosperity (also at Hudson Institute) William Easterly, who is the author of a book by the name of *White Man's Burden*. It is a profoundly critical account of global approaches to funding development in the Third World, and in the course of that book, Mr. Easterly suggests that in the world of development, there are "planners" and "searchers" – that's just a teaser. To find out more about that and to hear a discussion about how that applies to philanthropy, please come to the panel. (For more information, please visit our web site at http://pcr.hudson.org.) We're still putting it together, but the panel will include at least one prominent critic of Mr. Easterly's account, Carol Lancaster, director of the Mortara Center for International Studies in the School of Foreign Service at Georgetown University.

Now, as for today's panel, "How Vast the Left Wing Conspiracy?" As is often the case with this center's titles, this one requires some explanation, beginning with the typeface on the invitation here. Through meticulous historical research and lively imagination, mostly the latter, Krista came up with what we now call "Alger Hiss typewrite font." (Laughter.) That reference – for you young people – to a very obscure episode in the McCarthy era reminds us that conspiracy-mongering has a long and not noble history in American politics, so it should come as no surprise that we find it surfacing once again on both the left and the right of today's political spectrum.

It's worth bearing in mind that in a phrase we will probably hear often over the next two years, Hillary started it. In the late 1990s, then First Lady Hillary Rodham Clinton went on morning television to suggest that most of her husband's problems could be attributed to a vast *right* wing conspiracy. To back up that charge, presidential assistant Sidney Blumenthal leaked a file bulging with research that traced the seemingly interconnected and coordinated network of foundations, nonprofits and interest groups comprising the "VRWC," as we came to call it.

I'm proud to say that my employer at the time, the Lynde & Harry Bradley Foundation, was on the enemies list. Ironically, after well-documented millions we have spent on intellectual infrastructure of the vast right wing conspiracy, we only made the list because of a grant we made to the Heritage Foundation for a research assistant to David Brock, then working on his Anita Hill book – a grant totaling $11,000.

Shortly after the election of 2004, *National Review* journalist Byron York would return Sid Blumenthal's favor by reporting on a new and lavishly funded progressive network of think tanks and nonprofits, many of which were based on explicit imitation of their right-wing counterparts. The title of that book, appropriately enough, was *The Vast Left Wing Conspiracy*. In his volume, Mr. York suggested that although the VLWC had failed to unseat the incumbent U.S. president in 2004, its institutional apparatus had proven quite effective in many respects, and he predicted that it would come roaring back in future elections.

Now that the Democrats have indeed come roaring back, it's appropriate for us to ask, what role did the vast left wing conspiracy play in the resurgence, and what role is it likely to play in the election of 2008 and in the longer-term reconstruction of the progressive political movement in America. That is, just how vast, how potent, and how effective is the vast left wing conspiracy?

To help us address this question, our distinguished panel today brings together the author, Byron York, White House correspondent for *National Review*, as well as two prominent architects of the VLWC. After Mr. York, we will hear first from Rob Stein. About a year ago, the progressive internet site AlterNet noted, "If you want to know how the conservative message machine was built and what progressives can do to respond, just ask Rob Stein." So that's what we're going to do today. One of the things progressives did to respond is to gather wealthy funders under the umbrella of the Democracy Alliance, of which Mr. Stein was the founder.

But if you want to know what progressives have been doing to respond, you'd also have to talk to Gara LaMarche. Mr. LaMarche is vice president and director of US programs for the Open Society Institute, the chosen philanthropic instrument of George Soros. After many conversations with Mr. LaMarche, I can say that he is indeed a keen observer of as well as a participant in the war of ideas.

So, first, Mr. York.

BYRON YORK: My book came out in April 2005, and a couple of days before the publication date, word was getting around about it, and there was a buzz on the left, and Markos Moulitsas of the Daily Kos web site (www.dailykos.com) wrote, "It'll be interesting to see what crazy theories York has cooked up for the book, because quite frankly, he is about two to five years too early on this. We ARE building a vast Vast Left Wing Conspiracy to rival the $300 million conservatives spent on theirs every year. But we are a seedling at this point. Not very 'vast' in other words."

Now, as much as I am reluctant to say that Markos is right about anything, I think it is true that my book probably could have been called *Vast Left Wing Conspiracy 1.0*. Now, a year and a half after the book was published, I think we've certainly moved on to 2.0. But the thing for me started in 2003; I wrote a number of articles for *National Review* – and I didn't write them as a connected series or anything, but I wrote articles on MoveOn.org, George Soros, America Coming Together, the Center for American Progress – the liberal think tank founded by the former Clinton White House chief of staff John Podesta, David Brock's Media Matters for America – the media watchdog group, and also Air America Radio, and at some point it dawned on me that all of these were not happening separately. They were actually interrelated. And that was actually the genesis of the book, and most of those became chapters in the book, along with a few other topics like Michael Moore and the rise of guerilla documentaries.

The thing that was important to me about these groups was that they were working together. There were very consciously trying to coordinate their efforts along a variety of fronts. Shortly before the election – this is 2004 – I went to an event at the Center for American Progress and Al Franken called in to the event from the Air America studios and said, "I feel like I'm part of a

team. We're building an infrastructure incredibly quickly." And that's true – that's what they were doing.

And some of the things that were being done were truly historic, or at least the amounts of money being spent on what they were doing were just absolutely historic. To give you one comparison, in 1972 Richard Nixon's good friend W. Clement Stone gave $2 million to the Nixon campaign – an extraordinary amount of money. This so horrified reformers and good-government types that it became "Exhibit A" for what became the campaign finance reforms in 1974. But if you adjust for inflation, W. Clement Stone's gift would be a little less than $9 million in 2004 dollars. In that same year – 2004 – George Soros spent about $27 million in the effort to defeat George W. Bush.

In addition, just five people who are extremely important in Democratic politics these days – George Soros, his partner in giving Peter Lewis, Hollywood producer Stephen Bing, and Herbert and Marion Sandler – spent about $80 million trying to defeat Bush. To give you some perspective, the federal government gave the Bush campaign and the Kerry campaign each $75 million to conduct their entire post-convention campaigns. So something really, really big was going on.

After the election in 2004, the question I was asked the most was, if these guys were so great and their movement was so big and so rich and so fabulous, how come they lost? And certainly John Kerry had something to do with that. But there were other flaws in the movement that were quite big.

First of all, it got an enormous amount of press. The movement actually looked bigger than it was. There were all of these different groups, but they tended to overlap each other. People who listened to Air America Radio gave money to MoveOn.org and they went to see *Fahrenheit 911*, and they read the *Progress Report*, which is put out by the Center for American Progress. The fact that it was happening all at the same time suggested that the movement was bigger than it really was.

In addition, I think there was a certain amount of insularity, in the beginning. In the book, I have a chapter on MoveOn.org, which was founded by Wes Boyd and Joan Blades, who were software developers who did quite well in Berkeley, California. And as Joan Blades told me the story, it's the fall of 1998 and the Clinton impeachment battle is raging in Washington, and the two of them were having lunch at a Chinese restaurant near Berkeley. And they were saying, this is just insane; Republicans seem to have gone crazy. And one table talks to another and they find that pretty much everybody in the Chinese restaurant near Berkeley believes that the impeachment is crazy. So on the basis of this consensus in the Chinese restaurant near Berkeley, they go home and they found MoveOn.org and it becomes quite, quite successful and they get about $2.5 million members in the next couple of years. So it's not a small thing. But from this they concluded that they were the voice of the real American majority.

And they were not alone; there were other people in this movement who, I think, made the same mistake in 2004. Certainly if you listen to the public statements of George Soros, it was clear as

the campaign was going on that he simply couldn't believe that a certain majority of Americans didn't agree with them.

So they lose, and they undergo a period of reflection as losers do – and as, I think, losers on the Republican side are doing right now – and a number of things happened between 2004 and 2006. First, the biggest of their organizations at least in terms of money, America Coming Together, the giant 527 voter turnout group is dead. And there are many people – I think some of them perhaps in this room – who wonder where some of all that money went. Air America is almost dead. The prognosis does not look good for them. But MoveOn.org continues to prosper. The Center for American Progress, I think, has become a major institution on the left. And the left-wing blogosphere is certainly looking much better these days, after the Democratic victories.

Nevertheless, I think it's fair to say that the vast left wing conspiracy played a less high-profile role in 2006 than in 2004, and I think the reason is that they're a bunch of smart people, and they are retooling. Version 1.0 was a very quick and dirty effort. I think they thought that if they just spent enough money, then Bush would go down. Version 2.0 is a much longer-term project, and I think that is what the Democracy Alliance is all about. They decided that instead of pouring cash into campaigns, they would put it into longer-term efforts – think tanks, leadership institutes, media monitoring organizations, and things like that. And you certainly saw this in the 2006 campaign. There were a number of Democrats who felt this quite a bit, because the big donors of 2004 gave relatively tiny amounts in 2006. And at one point Rahm Emanuel, who was leading the House election effort, issued kind of a plaintiff cry – where are you guys and where's the money – we need it! But in fact, Democrats were able to win without enormous, outsized contributions. So I think the wisdom of the big VLWC donors was probably confirmed in that.

But I think the biggest question now about this whole infrastructure that is being created is how much everyone is in it for the long term – because this organization as it exists today, to the extent that it is an organization, was brought into life by two factors. One was an intense dislike of George W. Bush from George Soros all the way down to the guy who gave $5 to MoveOn.org. They really, really didn't like the President's policies, and in some cases the President himself. The other factor, though, was political desperation. When I interviewed John Podesta for the book, he described quite wistfully how up to 2003 Democrats had always been in control of *something*. Even in 1994 when they catastrophically lost the House and the Senate, they retained control of the White House. And then in 2000, they lost everything but they quickly got the Senate back with the defection of Senator James Jeffords. So it wasn't until the midterm elections of 2002 that they realized that they just didn't control anything, and I think that was a big motivator in the creation and growth of the institutions.

But now, of course, that has changed. As of January, Democrats will control something again. And in 2008, they won't have George Bush to oppose. So I think both of these factors will probably quiet some of the intense passions that gave rise to this movement in the first place. So whether it can continue to grow in the future as it has in the last couple of years, I think that's the question we're all waiting to see answered.

Thank you very much.

ROB STEIN: I am not a political pundit or a prognosticator. What I try to do most of the time is think about and prepare for the long term – not one or two years ahead, certainly not just until the next election, but rather how to build effective capacities over the next five to ten years or more. So if I have anything to contribute today to your understanding of how the center-left operates, it will be in the realm of how strategists, thinkers, activists, organizational leaders, donors, and elected officials across the full spectrum of center-left thought and perspective are creating ways of working more effectively together both interpersonally and through institutions and intermediaries to promote center-left values, ideas, policies, and messages more coherently and consistently in order to build a more sustainable center-left movement.

My work focuses on how the center-left creates clarity about our values; more effectively germinates and refines ideas and policies; builds more robust and enduring institutions, develops our human resources and future leaders; creates a culture within our movement of experimentation, risk-taking, and innovation; imbues a commitment to long-term financial security for our institutions; and finds somehow the discipline to be very cautious about celebrating apparent victories or being debilitated by the inevitable losses that we'll suffer over time.

So rather than drone on about conspiracies on any wing, or about the Democracy Alliance or 2008 – I actually prefer responding to questions you may have about these topics – but rather to provide a bit of context for any of my extemporaneous remarks, let me say a few words about what we have learned over the last couple of years through our research about both the conservative right and the center left. I'll also say a few words about the Democracy Alliance just to set up the questions and answers.

As you all know, I was not the first person to research your think tanks, policy centers, and academic and legal institutes. The folks at the National Committee for Responsive Philanthropy (NCRP) have done some groundbreaking work. Sidney Blumenthal and People for the American Way have written some books. So there was plenty around about your intellectual infrastructure.

I like to think that I added a few flourishes. I looked more closely than I think anybody had before at the sources of revenue for your 501(c)(3)s – I drilled down and looked at where it came from and how it was raised. And I connected dots. But what is less well known is that in addition to looking at the conservative right's intellectual infrastructure, my colleagues and I also researched your targeted media, leadership development, and civic engagement groups. We researched your financial structures. We analyzed your conveners and intermediaries. And here's what we discovered.

You have built a reasonably well organized network of organizations representing the full spectrum of conservative right thought and capable of rather consistently inspiring your disparate wings – tradition conservative, neo-conservative, libertarian, religious right, further right – with coherent ideas, policies, and messages; engaging your varied constituencies through relevant multimedia outlets; mobilizing with modern and professional techniques your constituencies through indigenous cultural, social, business, and religious organizations; training leaders in real leadership institutes; investing patient capital; facilitating cooperation and agreements to

disagree; and networking an expanding community of strategists, thinkers, organization leaders, activists, public officials, and donors.

The conservative right accomplished this with a purposefulness, an orderliness, structure, systems, and discipline that have been productive and, frankly, very impressive. Those of you in this room who have been part of the conservative right movement in America over the past thirty years have good reason to be very proud of your organizational accomplishments. While we differ on policies and tactics, I have deep respect for your organizational sophistications and your disciplines.

With my colleagues, I also studies counterpart center-left activist groups and found less strategic focus, less coordination, significantly fewer organization disciplines, and much less long-term capital. It was for that reason that we founded the Democracy Alliance in January of 2005. The Alliance is now two years old.

Now, just to start the ball rolling, here, I would differ slightly with Byron (York) on the reasons for the founding of the Alliance. In late 2003 and 2004, I went around the country with my PowerPoint presentation, and people thought I was presenting information to people. In fact, I was doing that, but what I really was doing was listening. I had three hundred meetings with political leaders, activists, and many individual donors and philanthropies. I listened to their hopes and dreams, their fears and their anxieties, and what I discerned was that there was a deep concern about the country that included the current administration. I didn't find that there was a personification of the administration; so it was the whole ball of wax – there was deep concern about the direction of the country. This was 2003-2004.

But there was also a deep passion about a set of values and belief that weren't being surfaced, that weren't being heard, that we couldn't find language or messages to communicate. And there was an unbelievable frustration, particularly among the donor class on the center-left, with trying to one-off everything – with every single one of them being a single, "silo" donor and not having the ability to communicate effectively with a network of donors. So those were really the reasons people came together.

We now have one hundred partners investing together for the first time. A partner is someone who has committed to pay an administrative fee to cover the costs of the Alliance and then to make some minimum commitment of a couple hundred thousand dollars to fund organizations that we recommend.

The Democracy Alliance is focused on creating more a integrated and consistently coherent center-left institutional infrastructure. It's a gathering place. It's a learning environment. It's a debating society. It's an investment club. And it's a big tent, a convener for the full spectrum of center-left thought and perspective. The *Washington Post* said recently that the Alliance is not centrist enough. And *Nation* magazine lambasted us for being *too* centrist. So clearly we're beginning to do something right. The Alliance does not endorse candidates. We are not an appendage of the Democratic Party. We harbor no illusions that we can succeed in our mission any time soon. And our mission is straightforward: To invest in a robust institutional infrastructure capable of building a sustainable center-left movement.

I look forward to your questions.

GARA LAMARCHE: The first thing I want to say is, I'm not exactly a subject of Byron York's book, but I work for George Soros who is one of the principal figures in this drama, and I thought that this book was pretty fair and accurate, from what I know of the so-called vast left wing conspiracy. I don't know much about Mark Crispin Miller or what goes on with Michael Moore. (York's treatment of these individuals can be located in the book using the index.) But the parts of it that I do know I thought he understood pretty well. I have some minor quibbles here and there – the overstatement of Soros' relationship with various people, for example. The Sandlers (Herbert and Marion, see index) were never friends of his; he didn't meet them until they all came together for this. But those were relatively minor in the scheme of things, and compared to some of what I read, for example the fact-free work of, say, David Horowitz, I thought this was pretty good.

There are four or five things I just want to touch on, some of which have been and some of which haven't been.

One of the issues drawn out in the book, one that is a very legitimate topic for discussion, is this tension you have when you have big-money liberals who have a different kind of problem than the Clement Stone types have – that is to say, they're for clean elections and getting money out of politics. That's one of their articles of faith. They have at least a discrepancy to answer for, or so it would seem, than some on the right do who don't favor that, who take a kind of Wild West view of money in politics. And I think that's something worth discussing more. I guess I should make plain for a variety of reasons that I work on Soros' philanthropic activities and have no involvement in his political activities, which are private, post tax, and they have nothing to do with the foundation. So I'm in the same position as everyone else in the room as far as what I know about Soros' political activities. I'm not involved with them. But Soros' argument – or his spokesperson's argument – is that he favors different campaign finance laws but is working with the ones that exist. That's certainly a tenable position.

Moreover, I think the argument is made – and this is where it gets a little bit trickier – that in contrast to many donors on the right or to conservative causes, Soros but not only Soros – Peter Lewis, Herbert and Marion Sandler, and a lot of the other big-money donors who are liberals – are in effect using their money against their economic interests. They are acting for what they believe is a just and good society. They want to be taxed more. And so their political interests are not synchronous with their economic interests, or so the argument goes. The tricky part of that, of course, is if you put it in terms of the public good or the common good or the public interest, who is to determine what the public interest is? Everybody thinks they're acting in the public interest.

So that's one thing I want to draw out that we haven't talked about so far.

But there is that kind of tension, I think, when liberal donors get involved in spending a lot of money on elections.

It's easy and not wrong, I think, to make fun of some big donors, as Byron (York) does in the book a bit, for being out of touch with ordinary people. I don't know that in that respect, George Soros or Peter Lewis or for that matter, the Berkeley-dwelling Joan Blades and Wes Boyd of MoveOn.org are in a particularly different category than, let's say, William F. Buckley or Bill Kristol or people on the right. I don't know how many average people hang around with some of those figures or some of the donors on the right, but it's a fair enough point. And if in fact the movement on the other side was being led by or dominated by big donors, that would be problematic. I'll get back to that in a minute. But it's certainly a fair enough point.

Now, it's worth observing – and I do know a little bit about Soros' thinking about his relationship to politics – that the boogey-man figure that Soros has become for many on the right because of his involvement in the 2004 election is a bit of a caricature. It doesn't really capture who Soros is or who he thinks he is. It is true that his growing and mounting concerns – not so much antipathy to Bush, because there's no real personal antipathy – but concerns about what the Bush administration is doing to the world and doing to the country led him to political activity to try to dislodge Bush. There's no question about that. But he was driven to that by a sense that all of the things he cared about were threatened by another term for Bush, and he decided to approach it as a problem. He brought people in. He had never been involved before in politics except to a very insignificant degree. And all of a sudden he became involved in a big way, and I think you're probably right that he played an extremely important catalytic role in 2004.

But he's not that interested in politics. He doesn't see himself as a partisan figure, to tell the truth, or a particularly ideological figure. If you read anything about Soros, to the extent that you're able to get it – it's not always the most accessible stuff – he thinks a lot and writes a lot and thinks hard about philosophy and he considers himself a philosopher and would like to be remembered for his intellectual contributions than anything else. He's all about open society and fallibility and doubt and all of those kinds of things, and any almost cursory familiarity with Soros' views would reveal that that's the kind of person he is. He's really an anti-ideologue. He was briefly and uncomfortably in the role of political kingmaker, but he has already begun significantly to retreat from that role much to the dismay of (inaudible) and Charles Schumer (D-NY) and some of the other political people, as I think Byron (York) said. I don't think you will see Soros involved in a significant way in electoral politics in the near future – and to the extent that I'm aware of it, that's also true of some of the other larger donors of 2004.

It's interesting to note that when the tide finally turned a significant bit in the last election, I don't think anybody would say – however much money was raised, and I don't follow this stuff very closely – that it was the triumph of a handful of unaccountable big donors. It was a triumph of other things. And just as you say that John Kerry kind of helped your (conservative) cause in 2004, I would argue that George Bush helped our (progressive) cause a bit in 2006 quite apart from whatever money was spent.

I don't think that Rob (Stein) would disagree with the next point I want to make. It's something that I keep saying in our precincts on the progressive side, but I don't know whether many of my colleagues agree with me.

There were the wilderness years on the right, if you take the defeat of Goldwater in 1964 – the rout or thumping, if you want to put it that way – and the period of time in which if you were a conservative Republican like Goldwater in his 1964 manifestation – those of us on the left love Goldwater now, but back then he was a different kind of figure, and it shows you how the fulcrum of the Republican Party has shifted – you were way, way in the wilderness and very far from even the possibility of power and the Democrats were dominant in every sphere. If you think the Supreme Court is an evil institution now, back then was the peak of the so-called rights revolution, the Warren court revolution.

And what the right did was prepare for the long haul. You on the right didn't expect to be back in power soon, and you thought audaciously about what seemed to be a distant, distant dream of undoing the New Deal and maybe even some of the reforms of the Progressive Era. You thought about privatization of government programs. You thought about vouchers and all of those things that are kind of crazy – like anti-fluoridation crazy in 1964 terms. And we know how that story turned out in the Reagan years and then in the early part of the Bush years.

I worry about the following thing in terms of the progressive infrastructure that is being built right now, and I think the recent (2006) election leads very much to the question with which Byron York ended his remarks – and that is: When you're so close to the possibility of power, and in fact now you have restored – the Democrats, anyway – electoral power, you usually don't think very audaciously, and you really don't think for the long term because you're very concerned about the next cycle. So it doesn't tend to produce the kind of thinking or behavior or soul-searching that causes people to really reexamine fundamental principles.

Now from where I sit, in terms of my own views on things, it would be good for there to be people in the progressive side who are thinking in very audacious terms about the kind of world they want to live in that might be quite different from the world that we do live in and the policies and programs that we now have, and setting their sights in envisioning that in a way the is not remotely politically achievable in the near term no matter who is elected president in 2008. And that would mean a fundamental rethinking of some things.

I don't see a lot of that happening, and I think that even after the 2002 and 2004 elections, we were such a closely divided country that I don't think the so-called left or the Democratic Party in the United States was in the position, even with all the feelings – that were undoubtedly true – of desperation, that the right was in some of the moments that I've just spoken about. And that does not tend to produce new ideas.

Now I'm not saying this to be critical of anything I see coming out of our side. I just worry a little bit about the near-term nature of our thinking. And so to that extent, I don't think the analogy quite holds. I don't wish for the kind of remoteness from actual political power that the Goldwaterites had in 1964, and I'm quite happy as a citizen about some of the recent trends. But I just mention it.

The final thing I want to say is about the 2004 election and this whole "act" business. Although I wasn't involved in it, I've looked at it fairly closely, and it is true that a lot of the apparatus that was built in the 2004 elections has been essentially dismantled.

There's a school of thought which I myself hold to that, although it was probably virtually the only route available to people who wanted to ramp up quickly in 2004, it is not the way over a long period of time to build political majorities – by parachuting people into places where they're not indigenous. If you look at the right's success electorally in recent years – often we tend in our analysis of the right to somewhat overemphasize, in my view, the big-money donors and underemphasize the group troops – it has been to a great extent on the ground level fueled by people working in their own communities, very often through church networks and so on, but very often in their own communities, talking to their own neighbors and doing old-fashioned politics that is relational politics.

The left, for a variety of reasons like the weakening of labor unions over the years and so on, has not done that. And people particularly in low-income communities and communities of color don't tend to like being asked for their vote by somebody who flew in from Berkeley two days before the election. They like to be asked for their vote by their neighbor or a person they're in the PTA with or they go to church with, and so on.

There is a lot of infrastructure building going on now in which Rob and I and others are involved. It is aimed at a longer haul; it is aimed at relationship building and so on. And it's happening through community-based organizations and it's happening through labor unions. It is happening through other institutions that are more on the progressive side. That, I think, began to have some impact recently, and that is the way you build a political movement for the long haul.

So I would share in the critique, I think, of some of what came together in 2004, but fortunately for people with my politics and unfortunately for some others, I think that picture is changing. Some of the best aspects of what have been the elements of the right's success are now coming to be featured on the progressive side.

WILLIAM SCHAMBRA: I have a couple of what I hope are provocative questions for the panel. It struck me, as I was listening to Rob Stein – and this also relates to the wilderness issue – that at no point in the rise of the vast right wing conspiracy was there a Rob Stein who would have been able to sketch a comprehensive strategy for taking power – a strategy that connects ideas with wealth and potentially, as Gara (LaMarche) now suggests, with some rootedness in indigenous groups.

The rise of the vast right wing conspiracy was in fact, as some of you who are participants in that can testify, a pretty rocky process in which the various organizations that are now understood to be working so well together, of course, were explicitly founded to take on some of the other conservative organizations that were stating conservative thoughts poorly, in their view. I suppose William Buckley was the closest you would come to a figure who was watching this whole process and presiding over it in some sense, but in no way with this sense that he was bringing together the entire ingredients, including wealth, for a comprehensive takeover of American political power.

The fact that you, Rob (Stein), are now trying to construct – overnight, as it were – an infrastructure that it took conservatives thirty years to build

Gara (LaMarche) mentioned the election of 1964. It's worth remembering that most conservative institutions that we today think of as the vast right wing conspiracy weren't even in existence at the time. The Heritage Foundation wasn't in existence. Bill Baroody, Sr., had been a close advisor to Barry Goldwater, and for his efforts he was immediately investigated for the next two years by the IRS to be sure that the American Enterprise Institute had not, in fact, crossed a line.

What can we make of this? Will the instant creation of this infrastructure likely lead to stronger or weaker institutions than a process of evolution, which ironically enough was the conservative approach to the whole process? Or am I overstating the case? Maybe I'm just being clever and saying, there was not really a conspiratorial effort on the right. Maybe I'm just concealing the fact that there was in fact a Politburo behind the whole thing – although I must say that I have been in meetings where the Politburo idea was advanced by one or another conservative activists and explicitly rejected.

Byron or Rob? There's a question in there somewhere! Is that an accurate characterization of the difference between the rise of these two infrastructures, and what difference does that make?

ROB STEIN: Well, I have to tell you, Bill, that I am humbled by the notion, back thirty-five years ago, that there was no Rob Stein. That's almost more than I can believe about what we're doing.

The fact is, in the late Sixties and early Seventies, there was a lot of thought on the right, going into the condition both of the intellectual capacities on the right as well as the need to develop greater coherence and longer-term strategies. In business communities and intellectual circles, the Bill Buckleys and the Russell Kirks and even the economists in Chicago, and then ultimately Lewis Powell and Bill Simon, three or four years later, were doing a lot of writing and talking and thinking – not about how to orchestrate a specific strategy, but about what it was that the right needed to be political viable over the long term, and how to begin thinking long-term.

As you well know, it was Kirk – I think – who referred to the remnants that existed; there were five or six or seven or eight major institutions on the right – the American Enterprise Institute (AEI), Hoover, the Intercollegiate Studies Institute (ISI) – that had been founded prior to 1971. When Joseph Coors wrote his $250,000 check to the Heritage Foundation, it was really the eighth major institutional capacity on the right. And over the next twenty-seven years just on the 501(c)(3) side, in terms of think tanks, leadership institutes, and legal organizations that are (c)(3), about sixty more were founded between 1971 and 1999. That's just the (c)(3)s – I'm not talking about civic engagement or the media.

And so the right didn't have the institutional infrastructure to be (inaudible); you had to create it. And I've never contended or believed that there literally a game plan in 1971. There was a problem identified. There were thoughtful strategists and donors and activists who said, we've got to build capacities across all of these functional areas if we're going to be more potent. And over a fifteen- or twenty-year period, they started doing that. It's the magic sauce of what happened.

Number one, there were training institutes, and you started identifying young leaders and bringing them into the movement in a somewhat organized way. The donors started working together. The Ed Feulners and the Ed Cranes – these guys are incredible leaders, facilitative leaders. They know how to build networks around ideas and between ideas and politics. And so by the Nineties, by the time Clinton came into office, there was a pretty solid infrastructure in place. It grew – very robustly – during the Clinton years. And so by the time 2000 rolled around, it was a pretty darned well integrated machine.

We, on the other hand, do have a lot of existing institutions. And so our challenge is to figure out ways of filling gaps, because there are some really important capacities that we don't have. We do not have leadership institutes like the Young America's Foundation and the Leadership Institute over in Arlington; they are extraordinary organizations, very important to your movement. We don't have those. So there are holes that need to filled, but for the most part our challenge is integration. Our challenge is creating the disciplines, the intermediaries, the Grover Norquists, the Paul Weyrichs, and the Council for National Policy which Byron (York) references in the book. These are meeting grounds for the conservative right, and they provide you with the ability to have a full spectrum of your players at the table, debate issues, find where your agreements are, and agree to disagree about some things. That's the kind of connective tissue that doesn't exist.

None of us who are working on this believe that we can pull all of this together overnight in any way, shape, or form. There are all kinds of different issues that the center-left confronts in terms of organizational development, style of leadership, and institutional dynamics. We have very different ways of thinking about all of those things. And so we're in it for the long haul. We have to be.

BYRON YORK: When you say you have a lot of existing institutions, what would you say are the leading four, five, or six of those – not the new ones, but the ones you say you count as the most influential?

ROB STEIN: In which areas? We have policy institutes and a network of state-based policy centers that are fledgling but have been around for a while. We have – just to name the activist ones, because I'm not counting organizations like Brookings, which are very important in terms of their intellectual capacity and are obviously liberal-leaning, but they're not activist institutes and they don't want to be activist institutes – organizations like the Economic Policy Institute, the Democratic Leadership Council, Campaign for America's Future, and now the Center for American Progress (CAP). And then we've got some state-based ones.

Something that we don't have that you all have developed very thoughtfully is, we don't have the capacity to aggregate our intellectual resources from the university and bring them into our policy making process. You all have a lot of centers situated at different universities that do that relatively effectively.

In the civic engagement area, there are important organizations that have been around for a while and are becoming more active and see themselves as integrators.

BYRON YORK: Just to put in a little word about William F. Buckley, I really wouldn't include him in this, even though I think he'd be the father of the modern conservative movement. It's oversimplifying, but perhaps the fondest wish of the founders of *National Review* in 1955 was to beat the hell out of Dwight Eisenhower. It was not the sort of thing that you would expect with some of the institutions today on the left or the right if they had a president of their own party. And so I think there was an intellectual independence there that just makes it impossible to put them in that category.

The other thing is, I think there's a ping-pong quality to what's going on here, because certainly when I talked to people for the book, they said on a number of occasions that they were imitating or at least they were inspired by these institutions on the right that Rob (Stein) has studied quite a bit. But on the other hand, I was at an event a couple of weeks ago with Richard Viguerie, and he was talking about what he and Paul Weyrich and others were doing in the 1970s, and their motto was to try to reverse-engineer the left. They were looking at institutions on the left that were powerful, and they were like a bunch of Japanese engineers in a time when Japanese cars were terrible and they would get a good car and take it apart and see how it worked. They were obviously quite successful.

The thing that kind of baffles me about the left a little bit is that there is a certain amount of insistence on their being symmetrical warfare as opposed to asymmetrical warfare. Obviously, conservatives dominate in talk radio, for example. I don't see that changing any time soon. And there were a number of them who felt like they just had to have a talk radio outlet – and there were conservatives who said, what is it about the New York Times and Hollywood and academia that's so bad? It's asymmetrical, but you certainly have very powerful things on your side.

So there is a certain imitative quality that has gone on on both sides that I think we're seeing happen again.

GARA LAMARCHE: Yes, I think that's right. To the extent that you try on either side to ape what you see as the success of the other, you're likely to fail. I think that on the right, for instance I did a conversation with James Piereson a month or so ago at the Open Society Institute (September 21, 2006, online at http://www.soros.org/resources/events/piereson_20060921), talking about the concern with the law and so on, and I think that he would pretty much concede – I hope I'm not offending anybody in this room – that the effort to build a public interest legal establishment on the right like the ACLU is not really going to be that successful. But the effort to go around that and influence who is sitting on the courts has been rather successful. And now, of course, people on the left are trying to take a look at that.

So, you want to be very careful not to be using the tactics of an earlier time; I think that's exactly right.

WILLIAM SCHAMBRA: Let me ask another question – and this goes to Mr. Stein's comments about the left's inability to rope in the universities for the center-left project, and it also relates to this issue of audacity, audacious ideas, I think.

There is an argument to be made, and in fact it was made by James Ceaser in a paper he wrote not too long ago for our 2006 Bradley Symposium ("True Blue vs. Deep Red: The Ideas that Move American Politics," online at http://pcr.hudson.org/index.cfm?fuseaction=publication_details&id=4030&pubType=PCR_Reports), that one of the things that distinguishes left and right in this area – and think tanks on the left and the right in this area – is that, as he puts it, if you go into a conservative think tank, you will discover people talking about John Locke and Montesquieu and Alexis de Tocqueville and the Federalist Papers. In the context of public policy and in these halls where allegedly practical decisions are being made and plans are being concocted, you have this discussion of, for lack of a better word, big ideas. And there is this interconnection between the big ideas and fairly specific proposals on the right; and although there are different conservative schools of thought, they nonetheless share a kind of rootedness in some vision, typically arising from the American founding and the people who influenced the American founding or followed the American founding.

Part of the problem I think the left would have with roping in their university allies, of course, is that the big thinking on the left is quite removed from the notion of developing an American political thought today based on the American regime as handed to us by the founders, or in some relationship to that vision. Most of the thinking in the universities or a great deal of it, when it comes to big ideas, is all about radical skepticism – George Soros' notion that you can't be certain about anything and therefore your engagement in politics is problematic to say the least. And indeed the thinking on the left, in left wing universities, tends to be somewhat remote from the political condition of the American republic.

Is that a fair assessment of a difficulty on the left? And if that is a difficulty on the left, does that matter? Can you get by with the "Six for '06" policy agenda, fine-tuning the college tuition situation, and is that going to be enough? Today's column by David Brooks ("Waiting to be Wooed," *New York Times*' Opinion section) suggested that conservatives need to get away from big ideas and get "granular," as he says. We need "Eight for '08" rather than talking about John Locke and the Federalist Papers.

GARA LAMARCHE: It's not a completely unfair characterization, and I share some of Ceaser's critique – it is true that the conservatives I hang around with are always throwing around Hayek and Strauss and the Founders and so on. The two most frequently cited resources in progressive circles are (the public opinion research experts) Celinda Lake and Stanley Greenberg. (Laughter.)

So, yes, that's true. I wouldn't put it so much in terms of the Ceaser theory. It's a complicated discussion that we should have at greater length at some point. I had a forum at the Open Society Institute yesterday, actually, with fifteen or twenty progressive leaders – Bill Moyers moderated. It was a bit of a counterpart to what you did recently at Hudson – the Bradley Symposium (held on May 25, 2006 – transcript available online at http://pcr.hudson.org). One of the discussions we got into among ourselves was the tensions on the progressive side between critique and celebration, as it were. And I think a problem for the left has been that very often we're both caricatured as being only about critique, and also there's some truth in that just as there is in almost any critique. And so our relationship with the Founders and the history of the country is

somewhat different and more complex because it's about the perfectibility of the American experiment. There is an understandable emphasis on our side with the shortcomings of the United States, and that's a tough thing.

I don't know that I would say that the progressives aren't grounded enough in Founders. I think it is that they're not, in recent years, grounded in any big ideas. I don't know that that's the dividing line I would choose. I think that there has been, for a variety of reasons, a kind of small-bore quality to a lot of thinking, and very few progressives – some are in this room, colleagues of mine – if you asked them about their historical or philosophical influences or books that they are reading or have read that had some influence on them, would have as much interesting to say as people on the right. Is that going to be an impediment to becoming the party of government again? I don't know. But it's something that bothers me a bit – and it's a little bit of what I say with the audacity thing. I guess I should correct myself slightly to say that we have plenty of audacity. You can – and Horowitz has done this – find a million crazy ideas that left wing professors are touting. There isn't a lack of audacious, crazy ideas. There has been quite a disconnection, however, between the academy and the actual world of policy and politics on the progressive side, despite the fact that right thinks that the left controls the academy.

ROB STEIN: I would affirm the implication of your question, Bill (Schambra) and Gara's response. Let me just say, personally, I had an experience that I think is an exception to what is normal for center-left activists. In the mid-1980s, I was invited to and attended a two-week executive seminar at Aspen Institute on the Great Books. It changed my life. And I realized at that moment that there is nothing available on our side that even approaches the deepening, the richness, of philosophical and experiential and broader thinking. I think this is a problem. And I think that Gara (LaMarche) is actually doing some thinking about it. This forum OSI had (link given above) is a beginning, but I think we all need to think about it. I think it's very important for us.

WILLIAM SCHAMBRA: Questions from the audience, please!

CURTIS GANS: The first thing is a factual thing for those of us who lived in the Sixties. I think you can attribute the conservative coalescing – there were two people at that time, after the Goldwater campaign – who really thought about this issue. One was Bill Buckley. The other was Cliff White. Having said that as a matter of fact, I was struck by what you said, Rob (Stein). You talked about the values that people share on the left – well, the center-left. What are those values?

ROB STEIN: I'm glad you asked that question. (Laughter.)

CURTIS GANS: I don't think so!

ROB STEIN: No, I actually am. I'm going to be a bit indulgent. I came prepared for this question although I didn't think I would get it from my old friend Curtis Gans!

I said earlier that I went around this country for almost fifteen months and talked to three hundred people, and I listened. And in the Democracy Alliance's first conference, in April of

2005, I tried to synthesize what I heard in those conversations about beliefs, and with your indulgence, let me take three or four minutes and just read what I said then.

"For the (Democracy) Alliance to flourish and fulfill its mission, we must celebrate our commonalities and honor our differences. It helps enormously that our shared values and beliefs run far deeper than many of us imagine.

"We share an enduring belief in the self-evident truths that all men and women are created equal, and governments that derive their just powers from the consent of the governed are founded on reason, rule of law, and principles of mutual responsibility.

"We believe that quality education, decent, affordable health care, and a living wage are basic to human dignity and to civil society.

"We believe in truth, transparency, and honesty, the hallmarks of an open society.

"While we share many of the legitimate economic and personal security fears of our fellow citizens, we are called to lead not by the tactics of fear, but by a hopefulness which springs eternal.

"While we have concerns about the inefficiencies in our public sector, we do not believe in the weakening of the checks and balances, nor the dismembering of the precious governing institutions of this great country.

"While we celebrate the abundant human and material benefits derived by market economies, we know that markets cannot solve every problem, and unless markets operate competitively and companies are managed with integrity, the boundless opportunities of economic freedom will be compromised.

"While we be forever vigilant of threats to our security and passionate in defense of liberty and democracy around the world, we will guard equally against dogmatic fundamentalism and do all in our power to use common sense and respect for human dignity as the basis of our domestic and foreign policies.

"And while we ascribe to different belief systems and come from varied cultural and religious traditions, as one we honor the profound spiritual stirrings in each of us, stirrings which emanate from deity, the wonder of creation, and the mysteries of matter which animate our religious and moral convictions and which inspire our public policies, our love of country, and our devotion to democracy."

"In short," I said to the assembled in April 2005, "we have profoundly meaningful common interests. We share values rooted in ancient philosophies and traditions, enshrined in the founding precepts of our great country, and which are guideposts for our mutual responsibilities to one another and to all Americans. The mission of the Democracy Alliance will be to invest in organizations and leaders who will give voice to these shared beliefs and who will help us bridge our disagreements."

The Democracy Alliance does not speak for the Democratic Party, does not speak for all of progressivedom. We're not trying to do that. We're way too early in our development to even think in those terms. We're one small organization trying to do some things. But a group of people have come together who have very deep affirmative beliefs about this country, and they know what they are.

BYRON YORK: What's interesting about that is – there's a story – when John Podesta was going out and raising money for the Center for American Progress, he met with donors and basically said, well, you know, the other side has these beliefs that they can put on a bumper sticker. They can say, lower taxes, less government, strong defense. What's our bumper sticker? And then he said, we can't do that, because our ideas are more nuanced, more complex, and we have more of them.

And Rob (Stein), the one thing I'm struck by, listening to your statement, is, I'm not sure what the bumper-sticker statement of that would be. And maybe it's not your job to come up with the bumper sticker; that's somebody else's job. But it is interesting how you can turn that – statements like, beliefs that emanate in deity – into an electorally effective appeal.

ROB STEIN: I would just respond quickly by saying that there are some very interesting early attempts, now. Michael Tomasky of the *American Prospect* wrote a cover editorial, very long, on the common good ("Party in Search of a Notion," issue dated May 3, 2006), and the Center for American Progress ran a much longer piece ("The Politics of Definition" by John Halpin and Ruy Teixeira, the *American Prospect* online, April 20-27, 2006 in four parts). And there are other things being written now to try to reduce these basic ideas into more manageable and politically relevant bits.

But you're right. It's going to take time. And politicians do that work; I don't do that work.

GARA LAMARCHE: That's a beautiful statement that Rob (Stein) read. I find very few things on the right or the left on the level of values that the other side couldn't subscribe to 95 percent. And maybe that's a good thing about America. It's a good thing.

I think it's often overstated that progressives or liberals don't do a good job of communicating their ideas. God knows they haven't in recent years – or some of the principal spokespeople haven't. But I think we have plenty of places to look. Roosevelt did a pretty good, succinct job with the four freedoms and other things. Martin Luther King, Jr., did a pretty good job of conveying some progressive values. And the right's bumper sticker – what is that? Lower taxes, tough on crime, national security? The execution of what's on some bumper stickers hasn't worked out so well, so I don't know that the bumper sticker is so important.

ED POWERS (ph): I was a reader of National Review in the late 1950s on through the 1960s, and I just remember most of the writers, most of their views and the direction they wanted to see the country go, and in many ways it was very persuasive. You could see what they were talking about, where they wanted to go, as I recall. And right now, I'm just looking to you all for some specifics. What can I look for? What kind of big ideas? The short-range idea is to beat up on

Bush because things are so bad. But longer range, why should I—what can I see? What can I hope for from you all that isn't just tweaking the system as it is now? What's big about your plans?

WILLIAM SCHAMBRA: Just to add to that, it is interesting that the presence of the welfare state – however tattered it is, it is there in some peculiar American version – leads to a temptation for the left and an opportunity for the left to say, we're going to tweak it in these six ways in '06. When conservatives have to think, of course, it is in some sense in fundamental opposition to the welfare state, so they are sort of driven to some big ideas, one way or another.

ROB STEIN: I would respond to this question in this way: I think both parties are potentially in grave danger of a serious independent candidacy one of these days if they don't deal in some creative way – I don't like talking about big ideas – creative, practical, common sense solutions to health care, education, global wage competition, climate change, immigration, and one or two others. Democrats and progressives probably won't succeed in 2008, and Republicans won't – I don't know how it will it play itself out. But if we as a country, and the two major parties, do not deal with a half dozen or so absolutely riveting issues of our time, we don't deserve to lead. And so we've got to come up with it.

And the Democracy Alliance, just so you know, we're a funder. We are not out there developing ideas and policies. We fund organizations that hopefully are. And we are seeing some evidence of some very interesting things that are being done, coalitions being built. You don't just come up with an idea – one of the great lessons of the patient capital on the right is Cato, first, and then Heritage and Cato started with Social Security privatization in 1980. And it took twenty years of working that issue – and not working it with *me*, but working it within the broad coalition of conservative right organizations so that by the time it was prime time, they had their ducks in order. And they still didn't get it, but they'll be back.

STEVE WIESSMAN, Campaign Finance Institute: Rob (Stein), you had mentioned that the Democracy Alliance is not an appendage of the Democratic Party. On the other hand, there have been a number of press reports and other reports that suggest that the Democratic Alliance was recommending, for example, to groups that were independent of the party but supporting various candidates of the party that they use the group that I think they call the Data Warehouse, a date analysis group that can help organizations contact voters. And in fact, I spoke with Harold Ickes of Data Warehouse, who said that the people who are the main supporters of the Warehouse were from Democracy Alliance. (George Soros was/is not among them, noted Gara LaMarche.)

The other aspect is in some other press reports – and none of this is to challenge that the alliance is a reputable (c)(3) – have indicated that groups likes the Sierra Club and Emily's List, which operate a variety of programs, non-profit oriented and political, are now beneficiaries of this funding.

And finally, of course, Mr. Soros did give almost $4 million to 527 organizations like America Votes during the last election. Peter Lewis was also a substantial donor. They didn't get the level they had in the past, but some of the major people, Susie Buell and others who are in the Democracy Alliance – I don't know all the people – are also involved, perhaps naturally, in

politics. So I'd be very interested in how the Democracy Alliance looks at this aspect. Where are the boundaries? Is there any problem, or is this a natural sort of thing that probably happened on the right as well, and as long as people's boundaries are observed, there really isn't a problem with, sort of, big money trying to control politics?

ROB STEIN: You're asking, I think, several questions. Let me try to answer two of them. Number one, we are funding in four areas: civic engagement, which generally means 527s and 501(c)(4)s and some 501(c)(3) organizations; in the media, which could be (c)(3) or for-profit; in policy – think tanks, which are almost all (c)(3); and in the area of leadership development, which can be mainly (c)(3) although there are some 527s that are leadership development groups.

It's very important to understand that the Alliance does not take in any money to distribute to groups. The money we take in pays our administrative costs. We are not a 501(c)(3). We are a taxable nonprofit organization. We recommend to our partners, and our partners then make decisions which organizations to support, and they are fully informed – we have very good counsel – of all the legal requirements of disclosure and limitations that come with supporting any of those types of vehicles. So we have absolute confidence in the legal appropriateness of what we are doing.

And I've forgotten the other part of your question, which was—

STEVE WEISSMAN: The thrust of my question was recommendations. I don't know quite how the funds are awarded but there are recommendations that somebody give fund to Emily's List—

ROB STEIN: Yes.

STEVE WEISSMAN: Your saying that the Alliance is simply partners, and some of them want to give the Alliance's potential resources or whatever they are to Emily's List—

ROB STEIN: The Alliance doesn't have resources to give to anybody. We do not give money to specific organizations. We have a very small thing called an "innovation fund" that makes very small grants to (c)(3) organizations. But other than that, the major funding that comes from Democracy Alliance partners comes directly from the partners themselves, personally.

STEVE WEISSMAN: I guess the central thrust of my question is, are the recommendations to people who can either accept them or not accept them? Do they make their own decisions based upon their own legal advice?

ROB STEIN: Yes. That's correct.

STEVE WEISSMAN: Do the recommendations include support of, for example, a private effort by Harold Ickes, who is a member of the Democratic National Committee, to provide good data to Democratic groups that are supporting candidates in the 2006 elections? Would a recommendation be for support for a Sierra Club program which might be part of the Sierra

Club's political activities in that election, and then the potential donors make their own assessment of how they might give the money?

ROB STEIN: The answer is yes. We make recommendations to our partners to fund 527s, (c)(4)s, (c)(3)s, and for-profit entities – all of the above.

WILLIAM SCHAMBRA: Byron (York), when I was reading your book the first time – and this is certainly related to this issue – one can't help but thinking, when reading about these groups, how really basically irrelevant to some degree campaign finance reform is. You see it most recently, of course, in this effort to kind of bring 527s under the umbrella of campaign finance reform. But of course, what we've been talking about today – think tanks and funders and all of these groups allegedly not coordinating their efforts – is absurd, because to some degree that's going on.

BYRON YORK: Well, it's not that the efforts were irrelevant. It's just that they didn't have quite the effect that their proponents wanted. Certainly, when I spoke earlier and said that the desperation that followed the 2002 elections was a major motivator for the people who founded some of these groups, I think the other major motivator was the taking effect of McCain-Feingold (the Bipartisan Campaign Reform Act of 2002), because the Democrats realized that if they lost their big donors, they were in trouble.

They have since put together a very good list of small donors. But for a while, there, the dirty little secret was that the Democratic Party depended a lot more on megadonors than Republicans did. Republicans got a larger portion of their larger amount of money from donors, $200 and under. And so the Democrats, I think, needed a quick and dirty way to keep their major donors in the game, and this is what we saw with the 527s.

Actually, one question I had about the Democracy Alliance – there was a story in the *Washington Post* ("New Alliance of Democrats Spreads Funding," July 17, 2006) that said that some critics worried about secrecy in the Democracy Alliance – that there was a requirement that any group that receive money not divulge the source of the money. Is that true? I'm also curious about the media organizations in which your partners were putting their money – which ones were they?

ROB STEIN: So we don't publish a list of organizations. The major media organization that has been publicly identified is Media Matters. But there are some others, now, that we have funded.

BYRON YORK: Can you tell us what they are?

ROB STEIN: No! (Laughter.) We don't publish those lists. But it'll be public and I'll confirm it when I see it.

Here's what I want everybody to try to understand about disclosure and secrecy. The Philanthropy Roundtable, an organization for which I have great respect, does not publish a list of its members. The Democracy Alliance does not publish a list of its members. We are entitled to do that under the tax laws. And so we don't. However, every single one of our partners who

writes a check to an organization has to comply with whatever disclosure requirements exist. So if I'm an individual donor and I write a $50,000 check to a 501(c)(3), that (c)(3) has to report that they've gotten a contribution, but they don't have to name me. If I write a $50,000 check to a 527, my name is in the FEC. The same with a (c)(4). For-profit, no. So, we comply with all the applicable laws, and we're no different than philanthropy roundtable or any other membership organization that chooses not to publish the names. So this notion about super-secrecy is, I think, a canard.

WILLIAM SCHAMBRA: The last time you and I talked, Gara, was indeed at a Philanthropy Roundtable meeting. If you would care to reflect on that experience at all in relation to this conversation, I'd love to hear it.

GARA LAMARCHE: I'd be happy to. I like the Philanthropy Roundtable. OSI is a member of the Philanthropy Roundtable. I first went seven or eight years ago when it was rather unusual for somebody who wasn't ideologically on the right to attend, and I think I wore my nametag backwards so that I wouldn't be noticed. Now there are more people on the progressive side who go.

I like the Philanthropy Roundtable because at least in that manifestation of the vast right wing conspiracy, it's a pretty loose association. One of the things to which I've called the attention of my colleagues at Democracy Alliance – and I think we're doing a better job in that direction – is that the donors in the Philanthropy Roundtable are by and large not big foundations. They're maybe family foundations or individual donors, even though the Olins and the Bradleys are there. I think even Rob (Stein) would agree that the large foundation network on the so-called left – and there's a whole conversation to be had there, too, about whether Carnegie and Ford are on the left, which I don't think they are – there's no question that the philanthropic resources in the institutional sense aren't really that comparable on the right.

Philanthropy Roundtable is very substantive. It always invites in people with alternative points of view, which I don't think the left, generally speaking, does as good a job of. It's intellectually rigorous and it's often very practically useful to people – about how to assess the investments they make and all of that kind of stuff. So I always learn a lot and I like going there. I find it a fairly congenial place, even though I disagree with the ideology of many of the people there.

Now what I had raised my hand to say was this: It's important not to conflate the Democracy Alliance with the vast left wing conspiracy, if you want to put it that way. Soros is active in Democracy Alliance, and he has high hopes for it because it's very important, he believes, for there to be an association of donors of varying sizes, and the entry fee is not such that only the Soroses can join. He believes it's important to have that kind of donor activity and donor education and mutual exchange. But it is far from the only thing. There are some very large donors who don't participate in it, like the Rappaports and the Sandlers, who have their own significant activities. There are groups that participate in it but also are having a huge impact on the emerging progressive infrastructure, like the SEIU (Service Employees International Union) and other labor unions that, with the dollars of janitors and nurses and working people, are contributing to the progressive infrastructure. And there are a lot of things that have great impact that don't take much money.

People can ask all the questions they want about the secrecy of the Democracy Alliance or non-secrecy of it. It's a really important emerging institution. But it's not the whole story, by any means, of what's happening on the progressive side.

DAVID BOAZ, Cato Institute: Rob (Stein), I noticed that you very carefully said "conservative right" every time, and you also very carefully said "center-left" every time. (Laughter.) So you stayed on message very well, claiming the center for your side of the debate! I'm sort of curious: If yours is the center-left, are there individuals or groups that you could name whom you would regard as on the left, and therefore not part of the center-left? Is Michael Moore part of the center-left? Is MoveOn.org part of the center-left? Or are they beyond what you would consider to be the center-left?

ROB STEIN: I'm going to answer your question but I'm going to put it in context: I think we are getting to a point where these labels really mean less than they used to. So just calling the right "the right" or just referring to liberals as progressives I don't think in any way helps us understand the rich diversity within both of these movements.

I think it's more accurate if not more elegant to refer to the conservative right as a spectrum that goes from traditional conservatives to further right. And I think the center-left is an accurate description of everything from the Democratic Leadership Council, which is a more moderate, business-oriented, centrist organization of Democrats, all the way to the left.

Your question specifically is, are there organizations on the further left – is that the question?

DAVID BOAZ: Yes. If you're defining your place as the center-left, that suggests there is a left that is beyond.

ROB STEIN: Of course there is.

DAVID BOAZ: Who would be beyond your left?

ROB STEIN: I don't know. Gara, do you know?

GARA LAMARCHE: There's a whole spectrum. So the *Nation* magazine is to the left of the *American Prospect*. And there are publications further to the left than the *Nation*. I know they are out there, but I don't know what they are. And the same is true of organizations. I'm not sure what the usefulness of that distinction is. It *is* true, I think, that it's deft to claim the center as center-left. I suppose there is a center-right, too. The more center they get, the less the right likes them!

ROB STEIN: So let me give you an example of a current issue that came out not of the left that is not a part of the center-left I talk about, but it came out of a very activist set of organizations. There's a part of our state network that is a group of organizations that think of themselves as economic justice organizations, and about ten years ago they started working on minimum wage issues at the municipal level. ACORN took that issue on. ACORN is a grassroots, tough-minded,

liberal-left organization. I think it's a very responsible organization, and so I wouldn't define them as outside of our realm, but they've taken that issue and guess what? In Florida in 2004, 30 percent of the people who voted for that initiative were Bush supporters, Republicans. That initiative just won in six states – it won in every state in which it was one the ballot. I happen to believe that we're going to have a national minimum wage. I don't think Bush will veto it. He may, but I think it will be at his peril if he does – or at least, at the peril of candidates who are running next time.

And so there is an example of an issue that started and a pretty fringy element that has become mainstream. You guys on the right have issues – some of the family values stuff and the faith-based initiative – that have come out of some of your further right organizations and have become somewhat more mainstream. Exactly how it's getting funded and who is getting funded is a good question, but it's a very interesting idea – having the voluntary sector be a part of problem-solving at the community level in the country and having governments support that.

So I think that we can expect that ideas are going to bubble up from some of the more extreme sides of both of these spectrums that gain broad, more widespread support.

DAVID BOAZ: I have a follow-up question. You mentioned as part of the center the Democratic Leadership Council, and that made me think again of this article I mentioned in the *Post* in July which said, "Democracy Alliance's decisions not to back some prominent groups have spurred resentment. Among the groups that did not receive backing in early rounds were such well-known centrist groups as the Democratic Leadership Council and the Truman National Security Project. Funding for these groups was 'rejected purely because of their ideologies,' said one Democrat familiar with internal Democracy Alliance funding discussions."

The question I had was: Is that accurate?

ROB STEIN: That is not accurate. The answer is no. We have a list of some four hundred organizations. We are not trying to fund grassroots organizations at this point, or recommend to our partners grassroots organizations (inaudible). There are about four hundred organizations – give or take – in a database, and that is the basic inventory of groups, and when we come up with an investment priority, we look at which groups are operating, and then there is a selection process. So there are roughly 380-something of those groups that haven't gotten funding. And they're all annoyed with me, personally. (Laughter.) Or Gara.

DAVID BOAZ: But the DLC is one of the groups that did not receive funding.

ROB STEIN: But there's a very important distinction that has to be made. There has never been a decision *not* to fund the DLC. There was a decision to fund some other things first. One of these days, DLC might be a candidate for funding. We only funded twenty-three organizations.

MATTHEW VADUM, Capital Research Center: I have a structure, operational question. Mr. Stein, you said that the Democracy Alliance is a taxable organization. So what kind of legal entity is it? Is it registered at the state and/or federal level? And are there plans for more

operational transparency especially with respect to grantmaking – maybe you're going to set up a web site or something like that at some point?

ROB STEIN: A web site! (Laughter.) Well, that's our technological incompetence – it has absolutely nothing to do with – we have an intranet, but that has all kinds of problems.

We are a taxable nonprofit, and we file with the District government as a taxable nonprofit – a very straightforward legal entity.

BYRON YORK: Is that a (c)(4)?

ROB STEIN: No.

BYRON YORK: It's a (c)-something?

ROB STEIN: No. It is a *taxable nonprofit*. Think of it as a corporation that does not make a profit and doesn't aspire to make a profit. We're an association of individuals. We have a board of directors – thirteen people elected by the partners. And we file corporate papers regularly and comply with all disclosure requirements.

The answer to your question – I think the deeper question here, can we expect more transparency from the Democracy Alliance – is, absolutely, positively yes. We cooperated with the *Washington Post*. We cooperated with the *Nation* magazine. We will cooperate with responsible, respected journalists who are attempting to do stories. But we are not out for the Democracy Alliance. This is about the organizations we fund. We aren't seeking publicity. We don't need and want publicity because it's not about us. It's about the organizations that we support. And many of those organizations voluntarily list some or many of their donors are, so one can figure out who they are. Who is on the board of directors of the Democracy Alliance is public information; you can find out who they are.

We're two years old, now, and we're more mature and confident of ourselves, and I think that over time, there will be more coverage of us.

AMY KASS, Hudson Institute: The question I have springs from my long association with universities. Having been associated with universities for over thirty years, I am hard-pressed to believe that there is a disconnect between academics and public policy, especially on the left. Could you give me some evidence of that, number one. And number two, assuming it is true, what accounts for the disconnection. And third, what are you trying to do about it?

ROB STEIN: Let me give you two examples on the conservative right that make my point about what doesn't exist on the center-left. The Mercatus Center housed at George Mason University is a separate 501(c)(3). It happens to be situated on the George Mason campus, but it is an independently funded organization. I think in 2004 it was receiving about $7 million a year. It is staffed by professors and students and academics – scholars – from George Mason and other places. Mercatus plays a very important role in the political process. They are one of the "quarterbacks" for deregulation policy. They had something like one hundred targeted

deregulation ideas, and they quarterbacked or help quarterback meetings among think tanks and policy centers and people on Capitol Hill and helped build over these last six years a real deregulation strategy within the Bush administration. So that's an example, situated on a college campus, independently financed, playing a very active role in public policy and the political process.

Another example, which Gara mentioned, is the wonderfully successful law and economics centers that have been funded by Olin and others on ten of the major law schools. The have played a tremendously important role in rethinking a portion of American jurisprudence along economic rights lines. And again, they are separately financed by some of the foundations that Bill (Schambra) has been associated with and others, and they played a very important role. They coordinated with the Federalist Society and the litigation centers, and the amalgam of those organizations has had a profound influence on American jurisprudence.

There is nothing like either one of those on the center-left.

GARA LAMARCHE: It's beginning to change, you know. The American Constitution Society, which was inspired by the Federalist Society, is changing that. We're funding a few things like the Tobin Project and New Visions and things that are trying to connect younger, more progressive academics to politics. But if you just take as a kind of device the Horowitz list of the hundred most dangerous professors – or whatever it is, these people are supposed to be undermining America – if you look through that, if there is one of them in there who has ever had a contact with a Democratic officeholder other than standing outside in their driveway with a no-blood-for-oil sign, I'd be very surprised. (Laughter.)

BYRON YORK: Did you have a question, Mr. Gans?

CURTIS GANS: I think it's not correct to say that there are no institutions on the left. John Edwards' Center on Poverty, Work, and Opportunity (at the University of North Carolina at Chapel Hill) is one example. James Hunt's Institution for Educational Leadership and Policy (also at the University of North Carolina at Chapel Hill) is another. There are a whole series of institutions, either existing or in development, that do inform Democratic public policy.

ROB STEIN: Yes. But there is nothing activist like the two examples I gave that have been on line and well financed for a period of ten or fifteen years and have had the real impact that these have had. I did overstate. Thank you.

BYRON YORK: That'll be my last word.

WILLIAM SCHAMBRA: Very good. Well, let's thank our panelists for a terrific conversation!

(Applause.)

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